

WASHINGTON, DC – Today, Representatives Tom Rooney (R-FL), Theodore Deutch (D-FL), Michael G. Grimm (R-NY), and Bill Pascrell, Jr. (D-NJ) introduced the Homeowner Catastrophe Protection Act of 2013. This legislation will provide tax incentives for homeowners and insurance companies to allow them to better prepare for and respond to future natural disasters.

“Families in Florida and across the country need peace of mind that when a hurricane or another natural disaster strikes, they’ll be prepared. This bipartisan, common sense bill will help homeowners protect their property from damage when possible and rebuild when a catastrophe does occur,” said Rep. Rooney.

“Natural disasters will always be unpredictable, and so the federal government has a responsibility to incentivize homeowners and insurers to better prepare for them. While Floridians have long struggled with the financial challenges that come with the constant threat of hurricanes and intense tropical storms, Superstorm Sandy recently showed us that no region of our country is immune from natural disasters. The Homeowner Catastrophe Protection Act represents a blend of bipartisan ideas that I am confident will help our nation and our communities better prepare for and recover from the damage inflicted by natural catastrophes,” said Rep. Deutch.

“Superstorm Sandy was one of the worst storms New York has ever seen, leaving us with years of recovery and rebuilding ahead. The Homeowner Catastrophe Protection Act will provide insurance companies and homeowners with more tools at their disposal to respond and prepare should another disaster strike. I remain committed to moving this bipartisan legislation forward in order to put these tax incentives in place as quickly as possible,” said Rep. Grimm.

“As the Northeast continues to rebuild in the wake of the most devastating storm in recent history, we must ensure they have every resource available to them. Federal aid to Sandy victims has finally been signed into law, but our work is not finished. This legislation will ensure that insurance companies have the resources they need to assist victims of federally declared disasters, while providing homeowners with incentives to safeguard their homes from future catastrophes. As a member of the Ways and Means Committee, I will continue to look at our tax code for ways to provide the critical assistance folks in our region desperately need,” said Rep. Pascrell.

The Homeowner Catastrophe Protection Act combines three proactive initiatives into one comprehensive bill:

- 1) **The Policyholder Disaster Protection Act** would create a tax-deferred reserve that insurance companies can set up to cover the losses from future natural disasters. Currently, insurance companies can only reserve against losses that have already occurred.
- 2) **The Catastrophe Savings Accounts Act** would create tax-exempt catastrophe savings accounts (CSAs) to pay expenses resulting from a presidentially declared major disaster.
- 3) **The Natural Disaster Mitigation Act** would provide a tax credit (equal to 25% of mitigation expenditures up to \$5,000) to qualified homeowners who mitigate their homes to prevent or reduce the risks that can result from hurricanes and earthquakes.

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